



Amherst Massachusetts

ASSISTANT TOWN MANAGER / FINANCE DIRECTOR

Town Hall
4 Boltwood Avenue
Amherst, MA 01002-2301
www.amherstma.gov

Phone: 413-259-3022
Facsimile: 413-259-2401
finance@amherstma.gov

January 29, 2010

TO: Select Board
Finance Committee
Larry Shaffer, Town Manager

FROM: John P. Musante, Assistant Town Manager/Finance Director

CC: Sonia Aldrich, Comptroller

SUBJECT: FY 10 Municipal Budget Quarterly Budget/Actual Report for
Quarter Ending December 31, 2009

Attached please find two reports detailing year to date performance versus budget for revenues and expenditures for the General Fund and Enterprise Funds. We are 50% thru the fiscal year. Overall, actual revenues and expenditures are in good shape versus budget. A small positive variance is anticipated by year end. This would continue the trend in recent years of positive variances versus budget. As Standard & Poor's noted in its November 2009 bond rating review that resulted in an upgrade to the Town's rating to "AA With a Stable Outlook", *"The town is thorough in its budget preparation and forecasting processes, conservative in nature with assumptions borne out by variance analyses."* Bond rating and other budgetary information is posted on the Town's website www.amherstma.gov/budget.

Key items/issues are highlighted below.

1. GENERAL FUND

Revenues: Thru December 31, 2009, the Town has collected 51% of budgeted revenues and is on track to exceed budgeted revenues for the fiscal year.

- Golf Course: Receipts total 42% of budget, but are on pace to exceed FY 09 total of \$253,725. FY 10 budgeted at \$262,000.
- Investment Income: Watching carefully due to economic downturn and resulting lower interest rates on liquid investments. While at only 25% YTD, earnings have only been posted thru the month of November (5 months). It is likely, however, that earnings will be less than budgeted by fiscal year end.

- Misc Non-Recurring: No problem. Schools reimbursements to Town for net Charter School and retiree health insurance assessments and Transportation Fund share of the PVTa assessment have not yet been posted.
- Motor Vehicle Excise: Only 12% collected year to date, but on pace to meet budget of \$1,350,000. Most excise bills are billed/collected in February.
- Other Excise: \$54,049 collected reflects the first two quarterly distributions of hotel/motel excise taxes (period of June – November 2009) and two months of revenues October – November 2009) from the increased local option hotel/motel excise tax (to 6%) and new local option 0.75% meals excise tax approved by Town Meeting at the July 2009 special town meeting. Too soon to gauge trend.
- Property Tax: 49% collected. Second half bills include new growth. On pace to again exceed 98% collection rate thru fiscal year end.
- Special Assessments: \$0 has been received. In January, following receipt of the approved PVTa assessment calculation, the University of Massachusetts and Five College, Inc. have been billed for their share of the assessment.
- State Aid: 50% has been received by the Town. The Governor had indicated in October his intention to enact mid-year “9C cuts” totaling \$81,159 to the Town due to state tax collections below benchmarks. The legislature never approved these reductions. As tax collections began to improve, in January the Governor announced his intention not to seek mid-year cuts in state aid.

Expenditures: Thru December 31, 2009, expenditures total 51% of budgeted expenditures. A prospective small surplus in the health insurance account will help to reduce expected shortfalls in the Veterans Benefits account.

- Employee Benefits: While YTD expenditures are at 72% of budget, that figure includes 100% of the annual retirement assessment from the Hampshire County Retirement System. I expect a small surplus in this account (\$30-50,000) thru June 30.
- Information Technology: IT expenditures suggest 66% “expended”, but this includes funds reserved for contractual service and licensing agreements for the remainder of the fiscal year.
- Education: 46% expended. Includes elementary schools budget and regional schools first two quarterly assessments.
- Snow & Ice: Budget of \$240,410 is 87% “expended”, but that includes encumbrance of \$188,000 for anticipated salt/sand for remainder of year. Too early to tell if there will be a shortfall.
- Veterans Services: Benefits claims on pace to slightly exceed budget. State eventually reimburses Town for 75% of eligible claims.

2. **ENTERPRISE FUNDS**

Thru December 31, 2009, revenues and expenditures are within a reasonable range for each of the Enterprise Funds (Water, Sewer, Solid Waste, and Transportation). Variances are due more to timing issues and funds encumbered for capital projects than any trend.

TOWN OF AMHERST
Year to Date Budget Report
FY2010 REVENUES
Through December 31, 2009

updated 1/25/2010

	REVISED EST REVENUES	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT COLL
TOWN GENERAL FUND				
CHARGES FOR SERVICES		\$ -	\$ -	#DIV/0!
DEPART-CEMETERIES	\$ (5,000.00)	\$ (1,000.00)	\$ (4,000.00)	20%
DEPART-GOLF COURSE	\$ (262,000.00)	\$ (108,975.14)	\$ (153,024.86)	42%
DEPART-RECREATION	\$ (563,648.00)	\$ (545,339.55)	\$ (18,308.45)	97%
FINES AND FORFEITS	\$ (169,000.00)	\$ (88,265.14)	\$ (80,734.86)	52%
INVESTMENT INCOME	\$ (200,000.00)	\$ (50,925.89)	\$ (149,074.11)	25%
LICENSES AND PERMITS	\$ (790,550.00)	\$ (406,037.53)	\$ (384,512.47)	51%
MISC NON-RECURRING	\$ (1,523,223.00)	\$ (7,159.23)	\$ (1,516,063.77)	0%
MOTOR VEHICLE EXCISE	\$ (1,350,000.00)	\$ (166,222.54)	\$ (1,183,777.46)	12%
OTHER DEPT REVENUE	\$ (363,120.00)	\$ (315,944.28)	\$ (47,175.72)	87%
OTHER EXCISE	\$ (370,000.00)	\$ (54,049.38)	\$ (315,950.62)	15%
PENALTY AND INTEREST	\$ (132,000.00)	\$ (60,489.73)	\$ (71,510.27)	46%
PL PILOT	\$ (918,458.00)	\$ (809,458.00)	\$ (109,000.00)	88%
PROPERTY TAXES	\$ (35,726,591.00)	\$ (17,535,630.89)	\$ (18,190,960.11)	49%
RENTALS	\$ (56,500.00)	\$ (27,771.00)	\$ (28,729.00)	49%
SPECIAL ASSESSMENTS	\$ (669,517.00)	\$ -	\$ (669,517.00)	0%
STATE AID	\$ (14,206,833.00)	\$ (7,109,838.00)	\$ (7,096,995.00)	50%
TRANSFERS IN	\$ (4,070,326.00)	\$ (4,070,326.00)	\$ -	100%
TOTAL TOWN GENERAL FUND	\$ (61,376,766.00)	\$ (31,357,432.30)	\$ (30,019,333.70)	51%
6001 SEWER FUND				
60011990 SF INTERFUND TRANSFERS	\$ (232,658.00)	\$ (232,658.00)	\$ -	
R4440 SF OPERATING BUDGET REV	\$ (3,490,500.00)	\$ (1,768,105.13)	\$ (1,722,394.87)	51%
TOTAL SEWER FUND	\$ (3,723,158.00)	\$ (2,000,763.13)	\$ (1,722,394.87)	54%
6002 WATER FUND				
60021990 WF INTERFUND TRANSFERS	\$ (385,684.00)	\$ (385,684.00)	\$ -	100%
R4450 WF OPERATING BUDGET REV	\$ (3,922,000.00)	\$ (1,911,380.97)	\$ (2,010,619.03)	49%
TOTAL WATER FUND	\$ (4,307,684.00)	\$ (2,297,064.97)	\$ (2,010,619.03)	53%
6003 SOLID WASTE FUND				
60031990 SWF INTERFUND TRANSFERS	\$ (24,194.00)	\$ (24,194.00)	\$ -	100%
R4435 SWF OPERATING BUDGET REVE	\$ (507,000.00)	\$ (248,965.37)	\$ (258,034.63)	49%
TOTAL SOLID WASTE FUND	\$ (531,194.00)	\$ (273,159.37)	\$ (258,034.63)	51%
6005 TRANSPORTATION FUND				
60051990 TRANS INTERFUND TRANSFE	\$ (84,323.00)	\$ (84,323.00)	\$ -	100%
R4480 PARKING OPERATING REVENUE	\$ (903,700.00)	\$ (462,762.23)	\$ (440,937.77)	51%
TOTAL TRANSPORTATION FUND	\$ (988,023.00)	\$ (547,085.23)	\$ (440,937.77)	55%

TOWN OF AMHERST
Year to Date Budget Report
FY2010 Expenses
Through December 31, 2009
updated 1/25/2010

	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOWN GENERAL FUND					
SELECT BOARD	\$ 47,743.00	\$ 27,304.15	\$ 511.00	\$ 19,927.85	58%
TOWN MANAGER	\$ 175,441.00	\$ 85,405.44		\$ 90,035.56	49%
FINANCE COMMITTEE	\$ 100,800.00	\$ 523.65		\$ 100,276.35	1%
DIRECTOR OF FINANCE & ADMIN	\$ 229,294.00	\$ 102,080.51	\$ 7,050.00	\$ 120,163.49	48%
ACCOUNTING	\$ 217,631.00	\$ 98,346.74		\$ 119,284.26	45%
ASSESSOR	\$ 181,872.00	\$ 84,036.53	\$ 1,000.00	\$ 96,835.47	47%
COLLECTOR/TREASURER	\$ 230,789.00	\$ 106,167.00	\$ 3,457.95	\$ 121,164.05	48%
LEGAL SERVICES	\$ 95,000.00	\$ 26,640.88	\$ -	\$ 68,359.12	28%
HUMAN RESOURCES	\$ 152,626.00	\$ 69,017.33	\$ 12,500.02	\$ 71,108.65	53%
EMPLOYEE BENEFITS	\$ 5,993,261.00	\$ 4,316,917.73	\$ 3,780.00	\$ 1,672,563.27	72%
INFORMATION SYSTEMS	\$ 472,999.00	\$ 287,882.49	\$ 22,964.14	\$ 162,152.37	66%
TOWN CLERK	\$ 162,069.00	\$ 84,402.49	\$ -	\$ 77,666.51	52%
ELECTIONS	\$ 21,774.00	\$ 3,851.07		\$ 17,922.93	18%
REGISTRATIONS	\$ 6,750.00	\$ 3,172.93	\$ 1,760.00	\$ 1,817.07	73%
TOWN HALL FACILITY	\$ 182,478.00	\$ 59,507.59	\$ 5,784.81	\$ 117,185.60	36%
BANGS COMMUNITY CENTER	\$ 225,291.00	\$ 89,334.62	\$ 9,992.11	\$ 125,964.27	44%
NORTH AMHERST & CUSHMAN SCHOOL	\$ 3,550.00	\$ 287.33	\$ 1,025.00	\$ 2,237.67	37%
AMHERST COMM CHILDCARE FACILIT	\$ 4,200.00	\$ 299.08	\$ 1,150.00	\$ 2,750.92	35%
MUNSON LIBRARY	\$ 43,077.00	\$ 16,677.43	\$ 10.90	\$ 26,388.67	39%
MISCELLANEOUS AND INSURANCE	\$ 222,561.00	\$ 176,191.12		\$ 46,369.88	79%
GENERAL SERVICES	\$ 187,760.00	\$ 84,336.83	\$ 6,092.73	\$ 97,330.44	48%
INTERFUND TRANSFERS	\$ 1,324,874.00	\$ 1,324,874.00		\$ -	100%
POLICE FACILITY	\$ 209,435.00	\$ 71,255.59	\$ 3,575.83	\$ 134,603.58	36%
POLICE DEPARTMENT	\$ 3,955,452.00	\$ 1,710,649.62	\$ 95,035.27	\$ 2,149,767.11	46%
FIRE DEPARTMENT	\$ 3,602,048.00	\$ 1,886,883.94	\$ 42,172.96	\$ 1,672,991.10	54%
DISPATCH CENTER	\$ 556,001.00	\$ 257,434.16	\$ 2,982.07	\$ 295,584.77	47%
ANIMAL CONTROL	\$ 51,845.00	\$ 22,277.57		\$ 29,567.43	43%
EDUCATION	\$ 32,955,811.00	\$ 14,980,817.41	\$ 235,024.00	\$ 17,739,969.59	46%
PUBLIC WORKS ADMINISTRATION	\$ 266,646.00	\$ 111,727.06		\$ 154,918.94	42%
CONSTRUCTION AND MAINTENANCE	\$ 575,505.00	\$ 252,205.99	\$ 37,871.66	\$ 285,427.35	50%
SNOW AND ICE	\$ 240,410.00	\$ 19,838.68	\$ 188,500.58	\$ 32,070.74	87%
STREET LIGHTS	\$ 90,575.00	\$ 30,604.84	\$ -	\$ 59,970.16	34%
TRAFFIC LIGHTS	\$ 21,673.00	\$ 12,629.28		\$ 9,043.72	58%
EQUIPMENT MAINTENANCE	\$ 259,244.00	\$ 119,973.21	\$ 1,049.75	\$ 138,221.04	47%
CEMETERY MAINTENANCE	\$ 19,957.00	\$ 7,244.89	\$ -	\$ 12,712.11	36%
PARKS AND COMMONS	\$ 265,639.00	\$ 134,032.08	\$ 1,033.00	\$ 130,573.92	51%
TREE CARE	\$ 72,715.00	\$ 34,872.95	\$ 467.43	\$ 37,374.62	49%
CONSERVATION OPERATIONS	\$ 238,369.00	\$ 96,670.88	\$ 303.96	\$ 141,394.16	41%
PLANNING DEPARTMENT OPERATIONS	\$ 258,255.00	\$ 112,199.51	\$ -	\$ 146,055.49	43%
INSPECTION SERVICES OPERATIONS	\$ 321,954.00	\$ 151,327.69		\$ 170,626.31	47%
PUBLIC HEALTH OPERATIONS	\$ 249,972.00	\$ 117,442.00	\$ -	\$ 132,530.00	47%
COUNCIL ON AGING OPERATIONS	\$ 177,024.00	\$ 78,127.40		\$ 98,896.60	44%
VETERANS SERVICES OPERATIONS	\$ 168,339.00	\$ 104,485.67		\$ 63,853.33	62%
LEISURE SERVICES AND SUP ED	\$ 567,826.00	\$ 242,375.30	\$ 644.00	\$ 324,806.70	43%
OUTDOOR POOL OPERATIONS	\$ 97,098.00	\$ 70,454.88	\$ 3,500.00	\$ 23,143.12	76%
CHERRY HILL OPERATIONS	\$ 218,382.00	\$ 132,537.59	\$ 2,925.38	\$ 82,919.03	62%
COMMEMORATIONS	\$ 875.00	\$ -	\$ 315.80	\$ 559.20	36%
DEBT SERVICE	\$ 973,751.00	\$ 339,665.30		\$ 634,085.70	35%
REGIONAL DEBT ASSESSMENTS	\$ 572,116.00	\$ 409,095.23	\$ -	\$ 163,020.77	72%
STATE ASSESSMENTS	\$ 1,017,231.00	\$ 507,677.00	\$ -	\$ 509,554.00	50%

TOWN OF AMHERST
Year to Date Budget Report
FY2010 Expenses
Through December 31, 2009
updated 1/25/2010

		REVISED BUDGET		YTD EXPENDED		ENCUMBRANCES		AVAILABLE BUDGET		PCT USED
COUNTY AND SPECIAL ASSESSMENTS	\$	1,622,487.00	\$	686,064.10	\$	-	\$	936,422.90		42%
OVERLAY	\$	262.00	\$	261.14	\$	-	\$	0.86		100%
JONES LIBRARY OPERATIONS	\$	1,468,029.00	\$	803,911.65	\$	-	\$	664,117.35		55%
TOTAL TOWN GENERAL FUND	\$	61,376,766.00	\$	30,551,999.55	\$	692,480.35	\$	30,132,286.10		51%
 SEWER FUND										
INTERFUND TRANSFERS	\$	679,744.00	\$	679,744.00	\$	-	\$	-		100%
WASTE WATER TREATMENT PLANT	\$	2,870,247.00	\$	1,480,676.10	\$	382,006.01	\$	1,007,564.89		65%
SEWER MAINTENANCE	\$	173,167.00	\$	86,673.39	\$	1,240.00	\$	85,253.61		51%
TOTAL SEWER FUND	\$	3,723,158.00	\$	2,247,093.49	\$	383,246.01	\$	1,092,818.50		71%
 WATER FUND										
INTERFUND TRANSFERS	\$	931,016.00	\$	931,016.00	\$	-	\$	-		100%
WATER DEPARTMENT OPERATIONS	\$	3,376,668.00	\$	1,469,073.16	\$	114,861.50	\$	1,792,733.34		47%
TOTAL WATER FUND	\$	4,307,684.00	\$	2,400,089.16	\$	114,861.50	\$	1,792,733.34		58%
 SOLID WASTE FUND										
INTERFUND TRANSFERS	\$	-	\$	-	\$	-	\$	-		0%
SOLID WASTE FUND							\$	-		
SOLID WASTE FACILITIES	\$	531,194.00	\$	234,535.44	\$	57,685.03	\$	238,973.53		55%
TOTAL SOLID WASTE FUND	\$	531,194.00	\$	234,535.44	\$	57,685.03	\$	238,973.53		55%
 TRANSPORTATION FUND										
INTERFUND TRANSFERS	\$	146,907.00	\$	146,907.00	\$	-	\$	-		100%
PARKING FACILITIES	\$	466,755.00	\$	304,876.07	\$	15,000.94	\$	146,877.99		69%
PUBLIC TRANSPORTATION	\$	374,361.00	\$	-	\$	-	\$	374,361.00		0%
TOTAL TRANSPORTATION FUND	\$	988,023.00	\$	451,783.07	\$	15,000.94	\$	521,238.99		47%